

Research Assessment #5

Date: October 13, 2017

Subject: The 10 Top Things to Know Before Becoming a Franchise Owner

MLA Citation:

Libava, Joel. "The 10 Top Things to Know Before Becoming a Franchise Owner." *CNBC*, CNBC, 8 Dec. 2011, www.cnb.com/id/45597863.

Assessment:

Joel Libava's article presented the most important information to consider before becoming a franchise owner. In general, a franchise is sprung from an individual who comes up with an idea for a product/service, implements it, and starts a business. The individual does not want to use all of his/her money to grow the business and decides to hunt for investors. I must first completely understand what a franchise is before I can jump into and get started with my potential future with franchises.

With franchising, there are two paths I could potentially take. I could start up my own franchise or become a franchisee. I need to decide which one would be most viable for me. In general, entrepreneurs start franchises in order to grow the business they created. They want to spread it across the globe and use what is known as OPM (other people's money) to do it for them. For me, I believe becoming a franchisee will be the path best suited for myself due to my continual exposure to them as I grew up due to my parents.

In order to make sure that I am fit for this area of work, I must take a look into my past and think of all the major decisions involving money I had made over the years. I must determine whether I am a risk taker or not and how successful the risks I took ended up being. This is essential to consider because I must know whether this is the avenue for me or not. I also need to conduct more research and ask other people what their opinion of me is on the basis of taking risks. This will give me the most in depth analysis and help me determine where to lead myself in the future.

There are strict rules. Every franchise has a set of rules coming along with it to maintain consistency throughout the business across many regions. This is important so consumer confidence can be built in the chain and it could end up being more successful as a whole. I believe I have followed the rules as much as possible throughout my life and I believe that I would be a great fit for this.

Additionally, it all comes down to having a detailed plan and going through with it. I must be prepared and have answers to all possibilities when asking the bank for a loan. A franchise will cost a large amount of money, and I must know exactly what I am going to be doing because banks invest in things that will grow their money. They want to be sure they will get a return and the way to make them more confident is by having a detailed plan. Eventually, I

will need to make a final decision. I will have to know as much as possible about the franchise before going in and then I must do it. I cannot hold back or else I'll end up playing the waiting game for the rest of my life. If this is the path for me, I must be confident in it and take it head on.